

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

O. O. C. J.

COMPANY PETITION NO.813 OF 2001

In the matter of Chemox Chemical Industries Ltd.

Rajshri Productions (P) Ltd.

..Petitioner.

....

Ms. Preeti Shah for the Petitioner.

CORAM: DR. D.Y. CHANDRACHUD, J.

21st June, 2007.

P.C. :

1. The Petitioner had granted to the Respondent an inter corporate deposit in the amount of Rs.25 lacs which was subsequently converted into a bill discounting facility. The Company failed to pay its dues thereunder. A cheque issued by the company was dishonoured. There was no reply to the statutory notice issued prior to the institution of winding up proceedings. The Company Petition has been admitted and was duly advertised.

2. Initially on 19th January, 1999 a stay was granted in terms of the Sick Industrial Companies (Special Provisions) Act,

1985. The stay was consequently vacated on 29th August, 2002 in Judges Summons 679 of 2002 since the reference before the B. I. F. R. was dismissed and an appeal filed before the A. A. I. F. R. was also dismissed.

3. The facts before the Court are sufficient to indicate that the company is unable to pay its debts within the meaning of Section 433(e) of the Companies Act, 1956. No reply has been filed by the company though the company has been served. The Petition is accordingly made absolute in terms of prayer clauses (a) and (b).